



Statement of Position 20-1

*January 2020*

**Reporting Pursuant to the 2020 Edition of the Global Investment  
Performance Standards**

Issued Under the Authority of the Auditing Standards Board

## NOTE

This Statement of Position (SOP) is an interpretative publication, and it represents the recommendations of the AICPA's Investment Performance Standards Task Force regarding the application of Statements on Standards for Attestation Engagements (SSAEs) to engagements to report pursuant to the Global Investment Performance Standards. The Auditing Standards Board (ASB) has found the recommendations in this SOP to be consistent with existing standards covered by the "Compliance With Standards Rule" (ET sec. 1.310.001) of the AICPA Code of Professional Conduct.

Interpretative publications are not as authoritative as a pronouncement of the ASB; however, if a practitioner does not apply the attestation guidance included in this SOP, the practitioner should be prepared to explain how he or she complied with the SSAE provisions addressed by this SOP.

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# Reporting Pursuant to the 2020 Global Investment Performance Standards

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## Introduction and Background

1. To promote fair representation, full disclosure, and greater comparability of investment performance, CFA Institute developed the Global Investment Performance Standards (GIPS®).<sup>1</sup> Although compliance with the GIPS standards is voluntary, an investment management firm's or asset owner's claim of compliance with the GIPS standards may give current and potential clients, beneficiaries, and oversight boards more confidence in the integrity of the performance presentations and the general practices of a compliant firm or asset owner.
2. All references to the GIPS standards in this Statement of Position (SOP) refer to the 2020 edition of the GIPS standards. As of the publication date of this SOP, there are three chapters of the 2020 edition of the GIPS standards: the GIPS Standards for Firms, the GIPS Standards for Asset Owners, and the GIPS Standards for Verifiers. The GIPS standards specify that they include any guidance statements, interpretations, and questions and answers published by CFA Institute and the GIPS standards governing bodies.
3. The GIPS standards require an entity to define itself as a *firm* or *asset owner* and to comply with the applicable chapter of the GIPS standards.
  - The GIPS standards define a *firm* as an investment firm, subsidiary, or division held out to the public as a distinct business entity.
  - The GIPS standards define an *asset owner* as an entity that manages investments, directly and/or through the use of external managers, on behalf of participants, beneficiaries, or the organization itself. Asset owners include, but are not limited to, public and private pension funds, endowments, foundations, family offices, provident funds, insurers and reinsurers, sovereign wealth funds, and fiduciaries. The GIPS Standards for Asset Owners apply to asset owners that do not compete for business by marketing investment performance to prospective clients. Firms and asset owners that compete for business by marketing investment performance to prospective clients must follow the GIPS Standards for Firms.
4. The GIPS standards recommend that investment firms and asset owners obtain independent third-party verification. The GIPS standards define *verification* as a process in which an independent third party, referred to as a *verifier*, assesses whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been (a) designed in compliance with the GIPS standards and (b) implemented on a firm-wide basis. Verification is intended to provide a firm and its existing and prospective clients and pooled fund investors with

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<sup>1</sup> For information on the appropriate use of the Global Investment Performance Standards registered trademark, see the CFA Institute website at [www.cfainstitute.org](http://www.cfainstitute.org).

greater confidence in the firm's claim of compliance with the GIPS standards. Verification does not provide assurance on the firm's claim of compliance with the GIPS standards in its entirety. The GIPS standards do not include verification or performance examination guidance specific to asset owners and require verifiers to interpret references to firms as also referring to asset owners. All references to firms in this SOP also refer to asset owners, unless otherwise specified.

5. In addition to verification, a firm may choose to have a verifier perform a specifically focused performance examination of any of the firm's composites or pooled funds and their associated GIPS reports. A GIPS Composite Report is defined as a presentation for a composite that contains all the information required by the GIPS standards and may also include recommended information or supplemental information. A GIPS Pooled Fund Report is defined as a presentation for a pooled fund that contains all the information required by the GIPS standards and may also include recommended information or supplemental information. The term *GIPS reports* refers to both GIPS Composite Reports and GIPS Pooled Fund Reports and, for purposes of this SOP, also refers to GIPS Asset Owner Reports. The GIPS standards permit a report on the performance examination of a composite or a pooled fund and its associated GIPS report to be issued only if a verification report has also been issued.
6. A verifier may or may not be a CPA. A CPA in public practice hired to perform a verification or performance examination is referred to in this SOP as a *practitioner*. Practitioners are required to perform such engagements pursuant to AT-C section 205, *Examination Engagements*.<sup>2</sup> Only CPAs in public practice can issue a practitioner's report in accordance with AT-C section 205.

## Scope

7. This SOP provides guidance to practitioners for engagements to examine and report on aspects of a firm's claim of compliance with the 2020 edition of the GIPS standards (a verification). It also provides guidance on engagements to examine and report on any of the firm's composites or pooled funds and their associated GIPS reports (a performance examination).
8. Although a verification consists of examining aspects of a firm's compliance with the GIPS standards and the design and implementation of certain policies and procedures, CFA Institute requires a statement that verification does not provide assurance on the operating effectiveness of the firm's controls or policies and procedures for complying with the GIPS standards. Accordingly, a verification is not a compliance attestation engagement, as governed by AT-C section 315, *Compliance Attestation*, or an internal controls attestation engagement as governed by AT-C section 320, *Reporting on an Examination of Controls at a Service Organization Relevant to User Entities' Internal Control Over Financial Reporting*.

## Transition From the 2010 Reporting Guidance to 2020 Reporting Guidance

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<sup>2</sup> All AT-C sections can be found in AICPA *Professional Standards*.

9. Firms complying with the 2010 edition of the GIPS standards must transition to the reporting requirements of the 2020 edition of the GIPS standards when reporting performance in GIPS reports for periods ending on or after December 31, 2020. Early adoption of the 2020 edition of the GIPS standards is permitted. Practitioners conducting verification or performance examination engagements for firms complying with the 2020 edition of the GIPS standards are required by the GIPS standards to conduct the engagement in accordance with the 2020 edition of the GIPS standards. When conducting engagements for firms reporting under the 2010 edition of the GIPS standards, practitioners are required to conduct their verification and performance examination engagements in accordance with the 2010 edition of the GIPS standards and SOP 12-1, *Reporting Pursuant to the 2010 Edition of the Global Investment Performance Standards* (AUD sec. 45<sup>3</sup>). Prior editions of the GIPS standards may be found online at [www.gipsstandards.org](http://www.gipsstandards.org) or [www.cfainstitute.org](http://www.cfainstitute.org).

## Overview of the GIPS Standards

### Compliance With the GIPS Standards

10. The GIPS standards establish both requirements and recommendations for firms to follow when calculating and presenting investment performance. Adherence to the recommendations of the GIPS standards is encouraged. The GIPS standards use the term *must* to indicate requirements and the term *should* to indicate recommendations. The attestation standards established by the AICPA use the terms *must*, *is required*, or *should* to indicate requirements and *may* to indicate recommendations. To avoid confusion, this SOP uses the terms *is required* or *must* to indicate requirements of AT-C sections 105, *Concepts Common to All Attestation Engagements*, and 205 and of the GIPS standards.
11. For a firm to claim compliance with the GIPS standards, the firm must meet all the requirements of the GIPS standards on a firm-wide basis. Firms are prohibited from claiming compliance “except for ...” or making any other statements that may indicate partial compliance with the GIPS standards.
12. The GIPS standards require that, when initially claiming compliance with the GIPS standards,
- firms (excluding asset owners) report, at a minimum, 5 years of investment performance for each composite or pooled fund presented (or performance since inception of the composite or pooled fund if the period since inception is less than 5 years).
  - asset owners report, at a minimum, 1 year of investment performance for each total fund or composite presented (or performance since inception of the total fund or composite if the period since inception is less than 1 year).

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<sup>3</sup> All AUD sections can be found in AICPA *Professional Standards*.

After the initial presentation of GIPS-compliant performance, the firm or asset owner must add an additional year of performance until a 10-year GIPS-compliant performance record is presented. Thereafter, at a minimum, a 10-year GIPS-compliant performance record must be presented.

13. Firms are permitted to retroactively construct the initial five-year historical period (or longer) prior to the firm's initial compliance with the GIPS standards using policies and procedures implemented at the time of initial compliance. In such instances, practitioners performing verifications may opine on the implementation of policies and procedures during historical periods because verifications test that the policies and procedures were implemented "for" that period versus "during" that period.
14. The GIPS standards provide *suitable criteria*, as defined in AT-C section 105, for verifications and performance examinations. The criteria are available to users as they are posted to [www.cfainstitute.org](http://www.cfainstitute.org). The GIPS standards require verifiers to use the criteria set forth therein. Consequently, practitioners who perform a verification or performance examination pursuant to the GIPS standards are required to understand the GIPS standards, including interpretative guidance.
15. Practitioners are required to be independent of the firm, in accordance with the AICPA Code of Professional Conduct and the GIPS Standards *Guidance Statement on Verifier Independence*.

### Verification

16. A *verification* tests whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been
  - a. designed in compliance with the GIPS standards, and
  - b. implemented on a firm-wide basis.

The GIPS standards specify procedures that practitioners are required to perform for a verification.

17. According to the GIPS standards, when a firm has obtained a verification report, the firm may state that it is verified. This statement may or may not be accompanied by a presentation of performance history for a specific composite. A verification, however, does not imply that the verifiers have examined the accuracy of the performance results of any specific GIPS report that may accompany the verification report (see paragraph 44).

### Performance Examination

18. In addition to a verification, a firm may choose to have a verifier conduct a performance examination. The GIPS standards specify procedures that verifiers are required to perform for a performance examination. A verification is required to be performed prior to, or concurrent with, any performance examination. A firm is not permitted to state that a

particular composite or pooled fund and its associated GIPS report have been independently examined with respect to the GIPS standards unless the firm has also obtained a firm-wide verification report covering the periods of the performance examination. Firms cannot state that a particular composite or pooled fund and its associated GIPS report have been verified or make any claim to that effect.

## Verification and Performance Examination Engagements

### Engagement Objectives

19. Practitioners are required to conduct verifications and performance examinations in accordance with attestation standards established by the AICPA. In addition, the GIPS standards specify that these engagements must be conducted in accordance with required verification or performance examination procedures. This SOP is not intended to provide all the required procedures set forth in the GIPS standards or cover all the requirements in the applicable attestation standards established by the AICPA.
20. For a verification, the practitioner's objective is to express an opinion on whether, in all material respects, the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been
  - a. designed in compliance with the GIPS standards, and
  - b. implemented on a firm-wide basis.
21. For a performance examination of a specific composite, the practitioner's objective is to express an opinion on whether, in all material respects, the firm has
  - a. constructed the composite and calculated the composite performance in compliance with the GIPS standards, and
  - b. prepared and presented the GIPS Composite Report in compliance with the GIPS standards.
22. For a performance examination of a specific pooled fund, the practitioner's objective is to express an opinion on whether, in all material respects, the firm has
  - a. calculated the pooled fund performance in compliance with the GIPS standards, and
  - b. prepared and presented the GIPS Pooled Fund Report in compliance with the GIPS standards.
23. For a performance examination of a specific asset owner total fund or composite, the practitioner's objective is to express an opinion on whether, in all material respects, the asset owner has
  - a. constructed the [*total fund or composite*] and calculated the [*total fund or composite*] performance in compliance with the GIPS standards, and

- b.* prepared and presented the GIPS Asset Owner Report in compliance with the GIPS standards.

### **Agreeing on the Terms of the Engagement**

- 24. The practitioner is required by both AT-C section 205 and the GIPS standards to agree upon the terms of the engagement with the engaging party. The agreed-upon terms of the engagement are required to be specified in sufficient detail in an engagement letter or other suitable form of written agreement that is required to include the following:
  - a.* The objective and scope of the engagement, including the period being verified or examined
  - b.* The responsibilities of the practitioner
  - c.* A statement that the engagement will be conducted in accordance with attestation standards established by the AICPA and criteria set forth in the GIPS standards
  - d.* The responsibilities of the responsible party and the responsibilities of the engaging party, if different
  - e.* A statement about the inherent limitations of a verification or performance examination
  - f.* A statement that the GIPS standards are the criteria for the engagement
  - g.* For a verification engagement, a statement that the verification does not provide assurance on the operating effectiveness of the firm's controls or policies and procedures for complying with the GIPS standards
  - h.* An acknowledgment that the engaging party agrees to provide the practitioner with a representation letter at the conclusion of the engagement
- 25. The terms of the engagement may include a statement that if the engaging party intends to use the practitioner's reports or refer to the practitioner in connection with any sales or advertising literature, the engaging party will provide a draft of such literature to the practitioner for the practitioner's review and comment prior to issuance. See exhibit A, "Example Engagement Letter: Verification and Performance Examination," of this SOP for an example engagement letter.

### **Requesting a Written Assertion**

- 26. Paragraph .10 of AT-C section 205 requires the practitioner to request from the responsible party a written assertion about the measurement or evaluation of the subject matter against the criteria. When the engaging party is the responsible party and refuses to provide a written assertion, paragraph .82 of AT-C section 205 requires the practitioner to withdraw

from the engagement when withdrawal is possible under applicable law or regulation. When the engaging party is not the responsible party, and the responsible party refuses to provide a written assertion, the practitioner need not withdraw from the engagement. In that case, paragraph .84 of AT-C section 205 requires the practitioner to disclose that refusal in the practitioner's report and restrict the use of the report to the engaging party.

### **Planning the Engagement**

27. Paragraphs .11–.13 of AT-C section 205 requires the practitioner to establish an overall strategy that sets the scope, timing, and direction of the engagement and guides the development of the engagement plan. To develop such a strategy, practitioners need to have sufficient knowledge to enable them to adequately understand the events, transactions, and practices that, in their judgment, have a significant effect on the subject matter or assertion. Such knowledge includes a sufficient understanding of the investment management industry and the GIPS standards, AICPA interpretive guidance, and applicable laws and regulations regarding the calculation and presentation of investment performance. The GIPS standards also address qualifications for verifiers.

### **Obtaining Sufficient Appropriate Evidence**

28. To obtain reasonable assurance, the practitioner is required to obtain sufficient appropriate evidence to reduce attestation risk to an acceptably low level and thereby enable the practitioner to draw reasonable conclusions on which to base the practitioner's opinion. Paragraphs .A49–.A52 of AT-C section 205 discuss the attributes of sufficient appropriate evidence.
29. As noted previously, the GIPS standards specify procedures that practitioners are required to perform for a verification and performance examination of one or more specific composites or pooled funds and their associated GIPS reports. A practitioner may perform other procedures in addition to those specified in the GIPS standards. Regardless of the scope of the engagement, the practitioner is required to obtain sufficient appropriate evidence to provide a reasonable basis for the opinion expressed in the report.
30. The GIPS standards permit the use of a sampling methodology when performing verification or performance examination procedures. The practitioner may find it helpful to consider the guidance in AICPA Audit Guide *Audit Sampling* when performing procedures that involve the use of sampling.
31. The GIPS standards specify that a verifier must
  - understand the firm's policies and procedures for establishing and maintaining compliance with all the applicable requirements and adopted recommendations of the GIPS standards,
  - evaluate whether all applicable policies are properly included and adequately documented,

- determine that the firm’s policies and procedures are suitably designed to enable the firm to comply with the GIPS standards, and
  - test the firm’s compliance with the established policies and procedures.
32. When a performance examination of one or more composites or pooled funds and their associated GIPS reports is conducted subsequent to, not concurrent with, a verification, the practitioner is required to update the practitioner’s understanding of the firm’s policies and procedures and inquire about any other changes that may affect the planning and conduct of the performance examination. In addition, the practitioner is required to follow the performance examination procedures required by the GIPS standards.
33. The period for which a firm can claim compliance with the GIPS standards can be different from the period for which verifications or performance examinations are conducted. The initial minimum period for which a verification can be performed is one year of the firm’s presented performance, or from firm inception date to period-end if less than one year. Subsequent verifications may cover any additional time periods, with annual updates being common, and quarterly updates also performed. After the initial verification or performance examination is complete, it is industry practice to append subsequent verification or performance examination periods to the initial period. For example, if an initial verification was completed on a firm from January 1, 2016 to December 31, 2020, the following year’s verification period would cover from January 1, 2016 to December 31, 2021. Documentation for each annual engagement is required to indicate the procedures performed supporting the consideration of prior-period opinions. Such procedures may include inquiries and evaluation of the implication of the findings of current year’s procedures for prior periods.
34. During a verification or performance examination, the practitioner is required to inquire whether the firm is aware of any events subsequent to the period covered by the examination engagement, and to consider information about subsequent events and subsequently discovered facts that come to his or her attention.<sup>4</sup> Such subsequent events and subsequently discovered facts include circumstances and events that affect prior-period GIPS reports. Errors in prior-period GIPS reports would be assessed in accordance with the firm’s error correction policies. If correction of a GIPS report is required by the firm’s error correction policy, and the firm does not correct the error, the practitioner is required to consider the implications for the verification and, if applicable, the related performance examination. If the firm corrects or has corrected a GIPS report, the practitioner would perform appropriate testing of material revisions to previously reported information, including disclosures regarding the changes, and would consider the implications on the practitioner’s ability to issue his or her report (see paragraph 39).

## Representation Letter

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<sup>4</sup> Paragraphs .48–.49 of AT-C section 205, *Examination Engagements*.

35. The GIPS standards specify that the verifier must obtain a representation letter from the firm before issuing an opinion on a verification or performance examination. The representations for verification and performance examinations can be included in one letter.
36. Appropriate parties to sign the representation letter are responsible persons with an appropriate level of authority (for example, CEO, CFO, CIO, chief compliance officer, or head of performance). Because the practitioner is concerned with events occurring up to the date of the practitioner's report, the written representations are dated as of the date of the practitioner's report. Management's refusal to furnish all appropriate written representations constitutes noncompliance with the GIPS standards that would preclude the practitioner from rendering an opinion (see paragraph 39).
37. Paragraph .50 of AT-C section 205 includes a listing of required representations, as do the GIPS standards for both verifications and performance examinations. The GIPS standards require that the representation letter for a verification include, among other representations, confirmation of the firm's assertion that policies and procedures used in establishing and maintaining compliance with the GIPS standards are (a) as described in the firm's policies and procedures, (b) have been designed in compliance with the GIPS standards, and (c) have been implemented on a firm-wide basis for all periods being verified. The representation letter must also include confirmation of the firm's assertion that the firm complies with the GIPS standards for all periods being verified, and any other relevant representations made to the practitioner during the engagement.
38. Exhibit B, "Example Representation Letter," of this SOP contains an example representation letter that includes required and recommended management representations.

## Reporting

39. The GIPS standards do not permit the issuance of a report with a qualified or an adverse opinion or a disclaimer of opinion for either a verification or performance examination. After conducting the procedures for a verification or performance examination, the practitioner may conclude that the firm is not in compliance with the GIPS standards, including situations in which the firm's records cannot support a verification or performance examination. In such situations, the GIPS standards specify that the practitioner must inform the firm why it was not possible to issue a verification or performance examination report.
40. When a performance examination report cannot be issued, the GIPS standards require the practitioner and firm to consider the effect of the practitioner's inability to provide the performance examination report on the firm's claim of compliance with the GIPS standards. The practitioner's inability to provide the performance examination report may also affect the practitioner's ability to issue a verification report.
41. AT-C section 105 permits the practitioner to report either on the assertion or directly on the subject matter to which the assertion relates. According to AT-C section 205, if the practitioner is reporting on management's assertion, the assertion should be bound with or

accompany the practitioner's report, or the assertion should be clearly stated in the report. Reporting directly on the subject matter is industry practice.

42. AT-C section 205 requires, in part, that the practitioner's report include (a) an identification or description of the subject matter or assertion being reported on, including the point in time or period of time to which the measurement or evaluation of the subject matter or assertion relates, and (b) a description of the nature of an examination engagement. Accordingly, for engagements covered by this SOP, the practitioner is required to clearly indicate in the report whether a verification, performance examination, or both, have been performed. The GIPS standards also require that the report include the periods covered by the verification or performance examination.
43. Exhibit C, "Illustrative Attest Report: Verification (Reporting Directly on the Subject Matter)," of this SOP presents an illustrative report for a verification. Exhibit D, "Illustrative Attest Reports: Verification and Performance Examination (Reporting Directly on the Subject Matter)," of this SOP presents illustrative reports for a verification and performance examination.
44. The GIPS standards require that the verification report include a statement indicating that the verification does not provide assurance on any specific performance report (see the verification report in exhibit C of this SOP). This disclaimer is an acknowledgment of the fact that the practitioner cannot control whether the verification report may accompany a GIPS report or other composite or pooled fund presentations distributed by the firm.
45. The GIPS standards specify that the GIPS report for the specified composites or pooled funds that are the subject of a performance examination report must be included in or attached to the performance examination report. The practitioner may request that the firm's GIPS report for an examined composite or pooled fund disclose that publicly available benchmark returns have not been examined by the practitioner to avoid the implication that the practitioner is providing assurance on the development of the benchmark. The practitioner also should add a paragraph to a performance examination report disclaiming an opinion on GIPS reports or other composite or pooled fund presentations included or attached for any periods that were not examined by the practitioner and stating that the report does not relate to any GIPS reports or composite or pooled fund presentations other than those identified in the report.
46. If supplemental information is included in the GIPS report for the specified composites or pooled funds that are the subject of a performance examination report, the GIPS standards also require that the performance examination report include a statement indicating whether or not the performance examination covers the supplemental information.
47. The GIPS standards require the inclusion of the following statement in a verification or performance examination report: "GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein."

48. When a firm has changed verifiers, and prior periods presented were subject to verification or performance examination by another verifier, the firm may request that the practitioner refer to all verified or examined periods in the practitioner's report. A practitioner may decide to refer to the reports of a predecessor verifier. The successor practitioner would consider the appropriateness of referring to reports on verifications or performance examinations conducted by other verifiers in the specific circumstances. If the successor practitioner decides to refer to the reports of the predecessor verifier, the report would be modified appropriately. Exhibit E, "Illustrative Attest Report: Successor Practitioner Report — Verification and Performance Examination," of this SOP contains an example of a successor practitioner's report referring to the predecessor verifier's verification and performance examination report.

### Other Information

49. If prior to or after the release of the practitioner's performance examination report the practitioner is willing to permit the inclusion of the practitioner's performance examination report in a document containing other information, the practitioner should read the other information to identify material inconsistencies, if any, with the GIPS reports. If upon reading the other information, in the practitioner's professional judgment

- a. a material inconsistency between that other information and the GIPS report exists, or
- b. a material misstatement of fact exists in the other information,

the practitioner should discuss the matter with the firm and take further action as appropriate.<sup>5</sup>

50. Further actions that may be appropriate if the practitioner identifies a material inconsistency or becomes aware of a material misstatement of fact include, for example, the following:
- Requesting the firm to consult with a qualified third party, such as the firm's legal counsel
  - Obtaining legal advice about the consequences of different courses of action
  - If required or permissible, communicating with third parties (for example, a regulator)
  - Withdrawing from the engagement

### Effective Date

51. This SOP is effective upon issuance for engagements reporting on a firm's compliance with the 2020 edition of the GIPS standards.

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<sup>5</sup> See paragraphs .57 and .A67–.A68 of AT-C section 205.

## Appendix

The illustrative verification and performance examination reports in this appendix apply to firms claiming compliance with the 2020 edition of the GIPS standards. The reports are inclusive of a firm's prior compliance with, and prior-year verification and performance examinations performed under, previous editions of the GIPS standards.

### Exhibit A — Example Engagement Letter: Verification and Performance Examination

The following is an illustration of an example engagement letter that may be used for this kind of engagement.

*[Practitioner Letterhead]*

*[Client's Name and Address]*

Dear \_\_\_\_\_:

This will confirm our understanding of the arrangements for our examination of whether the policies and procedures of the Investment Firm (the Firm) related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been (1) designed in compliance with the Global Investment Performance Standards (GIPS®) for the periods from January 1, 20X1 to December 31, 20Y0, and (2) implemented on a firm-wide basis for the period from January 1, 20X1 to December 31, 20Y0; this is referred to as a *verification* under the GIPS standards. *[When also conducting a performance examination, add: We have also been engaged to conduct an examination (referred to as a performance examination under the GIPS standards) of [specify composites or pooled funds] and their associated GIPS reports [if relevant, add: and the Firm's presentation of supplemental information included in the GIPS reports (Supplemental Information)] for the periods from January 1, 20X1 to December 31, 20Y0, in compliance with the GIPS standards.]*

Our examination will be conducted in accordance with the attestation standards established by the AICPA and criteria set forth in the GIPS standards. Our responsibility is to express an opinion on the items described above (the subject matter) based on our examination.

Our examination will involve performing procedures to obtain evidence about the subject matter. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the subject matter, whether due to fraud or error. A verification does not provide assurance on the operating effectiveness of the firm's controls or policies and procedures for complying with the GIPS standards.

The Firm's management is responsible for the following:

- Selecting the GIPS standards as the criteria against which we will evaluate its compliance and for determining that the GIPS standards are appropriate criteria for its purposes.

- Compliance with all applicable laws, regulations, contracts, and agreements, including the GIPS standards.
- The design, implementation, and monitoring of the policies and procedures upon which compliance is based.
- Making available to us all records and related information relevant to our examination.
- Providing a signed representation letter at the completion of our examination.
- Providing a written assertion about whether
  - the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been (1) designed in compliance with the GIPS standards for the periods from January 1, 20X1 to December 31, 20Y0, and (2) implemented on a firm-wide basis for the periods from January 1, 20X1 to December 31, 20Y0;
  - *[if examining a composite and its associated GIPS Composite Report]* the Firm has constructed the Example Composite and calculated the Example Composite performance and has prepared and presented the *[refer to accompanying GIPS report]* of the Firm's Example Composite, for the periods from January 1, 20X1 to December 31, 20Y0, in compliance with the GIPS standards;
  - *[if examining a pooled fund and its associated GIPS Pooled Fund Report]* the Firm has calculated the Sample Fund performance and has prepared and presented the *[refer to accompanying GIPS report]* of the Firm's Sample Fund, for the periods from January 1, 20X1 to December 31, 20Y0, in compliance with the GIPS standards; and
  - *[if applicable]* the Firm's presentation of Supplemental Information is fairly stated in accordance with the measurement and disclosure criteria as set forth in the GIPS reports.

If conditions not now anticipated preclude us from performing our examination procedures and issuing a report, as contemplated by the preceding paragraph, we will advise you promptly and take such action as we deem appropriate.

Working papers that are prepared in connection with this engagement are our property. The working papers are prepared for the purpose of providing principal support for our reports.

As you are aware, there are inherent limitations in the examination process, including, for example, selective testing and the possibility that collusion or forgery may preclude the detection of material errors, fraud, and illegal acts.

Our fees will be billed as work progresses and are based on the amount of time required at various levels of responsibility plus actual out-of-pocket expenses. Invoices are payable upon presentation. We will notify you immediately of any circumstances we encounter that could significantly affect our initial estimate of total fees. The quoted fees assume that you will provide an accumulation of data for the period to be tested and that the records provided to us are clear, concise, and accurate.

In the event we are requested or authorized by management or required by government regulation, subpoena, or other legal process to produce our documents or personnel as witnesses with respect to our engagement, the Firm will reimburse us for our professional time and expenses, as well as any fees and expenses of our counsel, incurred in responding to such requests.

If the Firm intends to use our report in whole or part or refer to [*name of practitioner*] in connection with any sales or advertising literature, a draft of such literature will be provided to us for review and comment prior to issuance.

Either party may terminate this agreement at will with 30 days' notice by delivery of a written termination notice.

If these arrangements are acceptable, please sign one copy of this letter and return it to us. We appreciate the opportunity to serve you.

Very truly yours,

[*Name of Practitioner*]

**Accepted and agreed to:**

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[*Client Representative's Signature*]

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[*Title*]

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[*Date*]

## Exhibit B — Example Representation Letter

The following illustrative representation letter includes the representations required by paragraph .50 of AT-C section 205, *Examination Engagements*, additional representations required by the Global Investment Performance Standards (GIPS®), and optional representations ordinarily included in representation letters for the engagement described in this SOP.

[Date]

[Name of Practitioner]

We are providing this letter in connection with your examination of whether, for the periods from January 1, 20X1 to December 31, 20Y0, the policies and procedures of the Investment Firm (the Firm) for complying with the GIPS standards related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been (1) designed in compliance with the GIPS standards, and (2) implemented on a firm-wide basis. [When also conducting a performance examination, add: (3) constructed the Example Composite and calculated the Example Composite and Sample Fund performance for the periods from January 1, 20X1 to December 31, 20Y0, in compliance with the GIPS standards, and (4) prepared and presented the GIPS reports for Example Composite and Sample Fund for the periods from January 1, 20X1 to December 31, 20Y0, in compliance with the GIPS standards.]

We confirm, to the best of our knowledge and belief, the following representations made to you during your examinations:

1. We are responsible for whether the policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance and the calculation and presentation of performance for the periods from January 1, 20X1 to December 31, 20Y0, and to distribution of performance beginning from [insert date], when the firm first claimed compliance with the GIPS standards, to December 31, 20Y0, have been designed in compliance with the GIPS standards and implemented on a firm-wide basis. We further confirm that we are responsible for the selection of the GIPS standards as the criteria against which you are evaluating our compliance and for determining that the GIPS standards are appropriate criteria for our purposes.
2. We assert to you that (a) the policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance and the calculation and presentation of performance for the periods from January 1, 20X1 to December 31, 20Y0, and to distribution of performance beginning from [insert date], when the firm first claimed compliance with the GIPS standards, to December 31, 20Y0, have been designed in compliance with the GIPS standards and implemented on a firm-wide basis, and (b) the Firm's policies and procedures are as described in the firm's GIPS standards policies and procedures and have been consistently applied for the periods from January 1, 20X1 to December 31, 20Y0.
3. We assert that we are in compliance with the GIPS standards on a firm-wide basis for the periods from January 1, 20X1 to December 31, 20Y0, and we have disclosed all known matters contradicting the assertion and any communications from CFA Institute or

regulatory agencies concerning (a) noncompliance with the GIPS standards or our assertion with regard thereto or (b) noncompliance with any other criteria relevant to investment performance, including communications received from January 1, 20Y1 through the date of this letter.

4. We have [*no knowledge of*] [*disclosed to you all information that we are aware of regarding*] (a) actual, suspected, or alleged fraud or noncompliance with laws and regulations involving management or employees who have significant roles in the Firm's policies and procedures relating to compliance with the GIPS standards or (b) actual, suspected, or alleged fraud or noncompliance with laws and regulations involving others that could have a material effect on the Firm's compliance with the GIPS standards.
5. We have provided you with all relevant information and access.
6. There are no violations or possible violations of laws or regulations, [*if applicable: including the Investment Advisers Act of 1940,*] whose effects should be considered for disclosure in your report or in the GIPS reports.
7. We acknowledge responsibility for maintaining sufficient books and records, as required by the GIPS standards or applicable regulatory requirements, and we have maintained such records to comply with those requirements.
8. We have disclosed to you any known events that occurred subsequent to the period being reported on and through the date of this letter that would have a material effect on the outcome of the examination.
9. We have disclosed to you all deficiencies in internal control over the Firm's compliance with the GIPS standards of which we are aware.

[*When also conducting a performance examination, add:*]

10. We assert that we have constructed Example Composite and calculated the Example Composite and Sample Fund performance for the periods from January 1, 20X1 to December 31, 20Y0, in compliance with the GIPS standards, and that [*refer to accompanying GIPS reports*] of Example Composite and Sample Fund for the periods from January 1, 20X1 to December 31, 20Y0, is prepared and presented in compliance with the GIPS standards.
11. [*If applicable*] We assert that the Firm's presentation of Supplemental Information is fairly stated in accordance with the measurement and disclosure criteria as set forth in the GIPS reports.

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[*Name of CEO and Title*]

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[*Name of CFO and Title*]

## **Exhibit C — Illustrative Attest Report: Verification (Reporting Directly on the Subject Matter)**

### Independent Accountant’s Verification Report

Investment Firm  
10 Main Street  
Anytown, USA

We have examined whether Investment Firm (the Firm) has, for the periods from January 1, 20X1 to December 31, 20Y0, (1) designed policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance (the applicable policies and procedures) in compliance with the GIPS standards, and (2) implemented the applicable policies and procedures on a firm-wide basis.

The Firm’s management is responsible for its claim of compliance with the GIPS standards and the design of its policies and procedures used for its compliance with the GIPS standards. Our responsibility is to express an opinion on the Firm’s design and implementation of the applicable policies and procedures based on our examination. We are also responsible for being independent of the Firm.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the Firm (1) designed the applicable policies and procedures in compliance with the GIPS standards, and (2) implemented the applicable policies and procedures on a firm-wide basis. An examination involves performing procedures to obtain evidence about the Firm’s design and implementation of the applicable policies and procedures. Our examination was also conducted in accordance with the required verification procedures of the GIPS standards, which also include testing performed on a sample basis. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks (1) of material noncompliance with the requirements of the GIPS standards, whether due to fraud or error, and (2) that the design of the applicable policies and procedures is not suitable for compliance with the GIPS standards. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, for the periods from January 1, 20X1 to December 31, 20Y0, the Firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects

- designed in compliance with the GIPS standards, and
- implemented on a firm-wide basis.

We have not been engaged to examine and did not examine any performance reports of the Firm’s composites or pooled funds for any period, including any performance reports that may accompany this report and, accordingly, we express no opinion on any such performance. Our examination does not provide assurance on the operating effectiveness of the Firm’s controls or policies and

procedures for complying with the GIPS standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

*[Practitioner's Signature]*

*[Practitioner's City and State]*

*[Date of Practitioner's Report]*

## Exhibit D — Illustrative Attest Reports: Verification and Performance Examination (Reporting Directly on the Subject Matter)

### Example 1: Verification and Performance Examination Report on a Composite<sup>1</sup>

#### Independent Accountant’s Verification and Performance Examination Report

Investment Firm  
10 Main Street  
Anytown, USA

We have examined whether Investment Firm (the Firm) has, for the periods from January 1, 20X1 to December 31, 20Y0, (1) designed policies and procedures for complying with the Global Investment Performance Standards (GIPS<sup>®</sup>) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance (the applicable policies and procedures) in compliance with the GIPS standards, and (2) implemented the applicable policies and procedures on a firm-wide basis. We have also examined the accompanying [*refer to accompanying GIPS report*] of the Firm’s Example Composite for the periods from January 1, 20X1 to December 31, 20Y0.

The Firm’s management is responsible for its claim of compliance with the GIPS standards, the design of its policies and procedures used for its compliance with the GIPS standards, and for the [*refer to accompanying GIPS report*]. Our responsibility is to express an opinion, based on our examination, on the Firm’s design and implementation of the applicable policies and procedures; the construction<sup>2</sup> of the Example Composite; the calculation of Example Composite performance; and the preparation and presentation of the [*refer to accompanying GIPS report*]. We are also responsible for being independent of the Firm.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the Firm (1) designed the applicable policies and procedures in compliance with the GIPS standards, (2) implemented those policies and procedures on a firm-wide basis, (3) constructed<sup>3</sup> the Example Composite and calculated the Example Composite performance in compliance with the GIPS standards, and (4) prepared and presented the [*refer to accompanying GIPS report*] in compliance with the GIPS standards. An examination involves performing procedures to obtain evidence about the Firm’s design and implementation of the applicable policies and procedures; the construction<sup>4</sup> of the Example Composite and calculation of the Example Composite performance; and the preparation and presentation of the [*refer to accompanying GIPS report*]. Our examination was also conducted in accordance with the required verification and performance examination procedures of the GIPS standards, which also include testing performed on a sample basis. The nature, timing, and extent of the procedures

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<sup>1</sup> For a performance examination of a pooled fund, the pooled fund would be specified instead of the composite.

<sup>2</sup> For a performance examination of a pooled fund, the words “construction of the [*pooled fund*]” would be omitted because the practitioner does not opine on the construction of a pooled fund.

<sup>3</sup> See footnote 2.

<sup>4</sup> See footnote 2.

selected depend on our judgment, including an assessment of the risks (1) of material noncompliance with the requirements of the GIPS standards, (2) that the design of the applicable policies and procedures is not suitable for compliance with the GIPS standards, and (3) of material misstatement of the accompanying [*refer to accompanying GIPS report*], whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, for the periods from January 1, 20X1 to December 31, 20Y0, the Firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects

- designed in compliance with the GIPS standards, and
- implemented on a firm-wide basis.

Also, in our opinion, for the periods from January 1, 20X1 to December 31, 20Y0, the Firm has, in all material respects

- constructed<sup>5</sup> the Example Composite and calculated the Example Composite's performance in compliance with the GIPS standards, and
- prepared and presented the [*refer to accompanying GIPS report*] of the Firm's Example Composite in compliance with the GIPS standards.

This report does not attest to the accuracy of any performance presentation of the Firm other than the Firm's Example Composite. Our examination does not provide assurance on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards. GIPS<sup>®</sup> is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

[*Practitioner's Signature*]  
[*Practitioner's City and State*]  
[*Date of Practitioner's Report*]

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<sup>5</sup> See footnote 2.

## Example 1A: Illustrative GIPS Composite Report for Example 1

### COMPOSITE WITH TIME-WEIGHTED RETURNS

Spinning Top Investments  
Large Cap Growth Composite  
February 1, 2011 to December 31, 2020

Year	3-Year Std Deviation								
	Composite Gross Return TWR (%)	Composite Net Return TWR (%)	Benchmark Return (%)	Composite Gross (%)	Benchmark (%)	Number of Portfolios	Internal Dispersion (%)	Composite Assets (\$ M)	Firm Assets <sup>(b)</sup> (\$ M)
2011 <sup>(a)</sup>	2.18	1.25	1.17			31	n/a	165	n/a
2012	18.66	17.49	15.48			34	2.0	235	n/a
2013	41.16	39.80	33.36			38	5.7	344	n/a
2014	14.50	13.37	13.03	11.30	9.59	45	2.8	445	1,032
2015	6.52	5.47	5.67	12.51	10.68	48	3.1	520	1,056
2016	8.22	7.15	7.09	12.95	11.15	49	2.8	505	1,185
2017	33.78	32.48	30.18	12.29	10.53	44	2.9	475	1,269
2018	-0.84	-1.83	-0.65	13.26	11.91	47	3.1	493	1,091
2019	33.08	31.78	29.76	12.81	11.71	51	3.5	549	1,252
2020	7.51	6.44	6.30	13.74	12.37	54	2.5	575	1,414

<sup>(a)</sup> Returns are for the period February 1, 2011 to December 31, 2011.

<sup>(b)</sup> Spinning Top Investments acquired the composite through an acquisition of ABC Capital in May 2014. Firm assets prior to 2014 are not presented because the composite was not part of the firm.

### Disclosures

1. Spinning Top Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Spinning Top Investments has been independently verified for the periods January 1, 2011 to December 31, 2020. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards

and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

2. Spinning Top Investments is an equity investment manager that invests solely in U.S.-based securities. Spinning Top Investments is defined as an independent investment management firm that is not affiliated with any parent organization. Spinning Top Investments acquired ABC Capital in May 2014.
3. The Large Cap Growth Composite includes all institutional portfolios that invest in large-cap U.S. stocks that are considered to have growth in earnings prospects that are superior to that of the average company within the Example Large Cap Growth Index. Key material risks include the risks that stock prices will decline and that the composite will underperform its benchmark. The account minimum for the composite is \$5 million. Prior to July 2016, the account minimum was \$2 million. Prior to March 2020, the name of the composite was the Growth Composite.
4. Performance prior to May 2014 occurred while the investment management team was affiliated with another firm. The investment management team has managed the composite since its inception, and the investment process has not changed. The historical performance has been linked to performance earned at Spinning Top Investments.
5. The benchmark is the Example Large Cap Growth Index, a market-capitalization-weighted equity index of all U.S. stocks with a market cap greater than \$10 billion and a growth tilt.
6. Returns presented are time-weighted returns. Valuations are computed, and performance is reported in U.S. dollars.
7. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Composite and benchmark returns are presented gross of nonreclaimable withholding taxes. Net-of-fees returns are calculated by deducting a model management fee of 0.083%, 1/12 of the highest management fee of 1.00%, from the monthly gross composite return. The management fee schedule for separate accounts is as follows: 1.00% on the first \$25 million; 0.60% thereafter. The management fee schedule and total expense ratio for the Large Cap Collective Fund, which is included in the composite, are 0.65% on all assets and 0.93%, respectively.
8. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.
9. A list of composite descriptions and a list of broad distribution pooled funds are available upon request.
10. The composite was created in November 2011, and the inception date is February 1, 2011.

**11.** As of January 1, 2014, internal dispersion is calculated using the equal-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. Prior to 2014, internal dispersion was calculated using asset-weighted standard deviation.

## Example 2: Performance Examination Report With a Reference to a Separate Verification Report

### Independent Accountant's Performance Examination Report

Investment Firm  
10 Main Street  
Anytown, USA

We have examined the accompanying<sup>1</sup> [*refer to accompanying GIPS reports*] of Investment Firm's (the Firm's) Example Composite and Sample Fund for the periods from January 1, 20X1 to December 31, 20Y0. The Firm's management is responsible for its claim of compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and for the [*refer to accompanying GIPS reports*]. Our responsibility is to express an opinion, based on our examination, on the Firm's (1) construction of the Example Composite and calculation of Example Composite and Sample Fund performance, and (2) preparation and presentation of the [*refer to accompanying GIPS reports*]. We are also responsible for being independent of the Firm. We previously conducted an examination (also referred to as a *verification*) of whether, for the period from January 1, 20X1 to December 31, 20Y0, the policies and procedures of the Firm for complying with the GIPS standards related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards, and implemented on a firm-wide basis; our report dated August 7, 20Y1, with respect thereto is attached.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the Firm (1) constructed the Example Composite and calculated the performance of the Example Composite and Sample Fund in compliance with the GIPS standards, and (2) prepared and presented the [*refer to accompanying GIPS reports*] in compliance with the GIPS standards. An examination involves performing procedures to obtain evidence about (1) the Firm's construction of the Example Composite and calculation of the performance of the Example Composite and Sample Fund and (2) preparation and presentation of the [*refer to accompanying GIPS reports*]. Our examination was also conducted in accordance with the required performance examination procedures of the GIPS standards, which also include testing performed on a sample basis. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks (1) of material noncompliance with the requirements of the GIPS standards, and (2) of material misstatement of the accompanying [*refer to accompanying GIPS reports*], whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, for the periods from January 1, 20X1 to December 31, 20Y0, the Firm has, in all material respects

- constructed the Firm's Example Composite and calculated the Example Composite and Sample Fund performance in compliance with the GIPS standards, and

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<sup>1</sup> See example 1A for an illustrative GIPS Composite Report that would accompany the report.

- prepared and presented the [*refer to accompanying GIPS reports*] in compliance with the GIPS standards.

This report does not attest to the accuracy of any performance presentation of the Firm other than the Firm's Example Composite and Sample Fund. Our examination does not provide assurance on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

[*Practitioner's Signature*]

[*Practitioner's City and State*]

[*Date of Practitioner's Report*]

### **Example 3: Verification and Performance Examination Report on an Asset Owner Total Fund<sup>6</sup>**

#### Independent Accountant's Verification and Performance Examination Report

Asset Owner  
10 Main Street  
Anytown, USA

We have examined whether Asset Owner (the Asset Owner) has, for the periods from January 1, 2011 to December 31, 2020, (1) designed policies and procedures for complying with the Global Investment Performance Standards (GIPS<sup>®</sup>) related to the total fund and composite maintenance and the calculation, presentation, and distribution of performance (the applicable policies and procedures) in compliance with the GIPS standards, and (2) implemented the applicable policies and procedures on an asset-owner-wide basis. We have also examined the accompanying GIPS Asset Owner Report of the Asset Owner's Total Fund (Total Fund GIPS Asset Owner Report) for the period from January 1, 2012 to December 31, 2020, including the Supplemental Information and accompanying notes from January 1, 2020 to December 31, 2020. The Asset Owner is responsible for (1) its claim of compliance with the GIPS standards, (2) the design of the applicable policies and procedures, and (3) the Total Fund GIPS Asset Owner Report. Our responsibility is to express an opinion, based on our examination, on (1) the Asset Owner's design and implementation of the applicable policies and procedures; (2) calculation of Asset Owner Total Fund performance; and (3) preparation and presentation of the Total Fund GIPS Asset Owner Report. We are also responsible for being independent of the Asset Owner.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the Asset Owner (1) designed the applicable policies and procedures in compliance with the GIPS standards, (2) implemented the applicable policies and procedures on an asset-owner-wide basis, (3) calculated the Total Fund performance in compliance with the GIPS standards, and (4) prepared and presented the Total Fund GIPS Asset Owner Report in compliance with the GIPS standards. An examination involves performing procedures to obtain evidence about (1) the Asset Owner's design and implementation of the applicable policies and procedures for complying with the GIPS standards, (2) the calculation of the Total Fund performance, and (3) the preparation and presentation of the Total Fund GIPS Asset Owner Report. Our examination was also conducted in accordance with the required verification and performance examination procedures of the GIPS standards, which also include testing performed on a sample basis. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks (1) of material noncompliance with the requirements of the GIPS standards, (2) that the design of the applicable policies and

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<sup>6</sup> For a performance examination of a composite, the composite would be specified instead of the Total Fund.

procedures is not suitable for compliance with the GIPS standards, and (3) of material misstatement of the accompanying Total Fund GIPS Asset Owner Report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, for the periods from January 1, 2011 to December 31, 2020, the Asset Owner's policies and procedures related to total fund and composite maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects

- designed in compliance with the GIPS standards, and
- implemented on an asset-owner-wide basis.

Also, in our opinion, for the periods from January 1, 2012 to December 31, 2020, the Asset Owner has, in all material respects

- calculated the Total Fund's performance in compliance with the GIPS standards, and
- prepared and presented the accompanying Total Fund GIPS Asset Owner Report in compliance with the GIPS standards.

Additionally, in our opinion, the Supplemental Information for the periods from January 1, 2020 to December 31, 2020, included in the Total Fund GIPS Asset Owner Report has been calculated and presented, in all material respects, in compliance with the methods described in the Supplemental Information accompanying notes.

This report does not attest to the accuracy of any performance presentation of the Asset Owner other than the Total Fund GIPS Asset Owner Report. Our examination does not provide assurance on the operating effectiveness of the Asset Owner's controls or policies and procedures for complying with the GIPS standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

*[Practitioner's Signature]*  
*[Practitioner's City and State]*  
*[Date of Practitioner's Report]*

## **Exhibit E — Illustrative Attest Report: Successor Practitioner Report — Verification and Performance Examination**

### **Reporting Directly on the Subject Matter (Verification and Performance Examination Report) in Successor Practitioner’s Report When the Predecessor Verifier’s Report Is Not Presented**

#### Independent Accountant’s Verification and Performance Examination Report

Investment Firm  
10 Main Street  
Anytown, USA

We have examined whether Investment Firm (the Firm) has, for the periods from January 1, 2015 to December 31, 2020, (1) designed policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance (the applicable policies and procedures) in compliance with the GIPS standards, and (2) implemented the applicable policies and procedures on a firm-wide basis. We have also examined the accompanying [*refer to accompanying GIPS report*] of the Firm’s Example Composite for the periods from January 1, 2020 to December 31, 2020. The Firm’s management is responsible for its claim of compliance with the GIPS standards, the design of its policies and procedures, and for the [*refer to accompanying GIPS report*]. Our responsibility is to express an opinion, based on our examination, on the Firm’s design and implementation of the applicable policies and procedures, construction of the Example Composite and calculation of Example Composite performance, and preparation and presentation of the [*refer to accompanying GIPS report*]. We are also responsible for being independent of the Firm. A verification covering the periods from January 1, 1999 to December 31, 2014, and a performance examination of the Firm’s [*refer to accompanying GIPS report*] for the periods from January 1, 2010 to December 31, 2014, were performed by another independent verifier, whose report, dated August 27, 2015, expressed an unqualified opinion thereon.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the Firm (1) designed the applicable policies and procedures in compliance with the GIPS standards, (2) implemented the applicable policies and procedures on a firm-wide basis, (3) constructed Example Composite and calculated Example Composite performance in compliance with the GIPS standards, and (4) prepared and presented the [*refer to accompanying GIPS report*] in compliance with the GIPS standards. An examination involves performing procedures to obtain evidence about (1) the design and implementation of the applicable policies and procedures; the construction of Example Composite and calculation of Example Composite performance; and the [*refer to accompanying GIPS report*]. Our examination was also conducted in accordance with the required verification and performance examination procedures of the GIPS standards, which also include testing performed on a sample basis. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks (1) of material noncompliance with the requirements of the GIPS standards, (2) that the design of the applicable policies and procedures is not suitable for compliance with the

GIPS standards, and (3) of material misstatement of the accompanying [*refer to accompanying GIPS report*], whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, for the periods from January 1, 2015 to December 31, 2020, the Firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects

- designed in compliance with the GIPS standards, and
- implemented on a firm-wide basis.

Also, in our opinion, for the periods from January 1, 2020 to December 31, 2020, the Firm has, in all material respects

- constructed the Firm's Example Composite and calculated the Example Composite's performance in compliance with the GIPS standards, and
- prepared and presented the [*refer to accompanying GIPS report*] of the Firm's Example Composite in compliance with the GIPS standards.

We have not been engaged to examine and did not examine the Firm's Example Composite for any periods prior to January 1, 2020, as shown in the accompanying [*refer to the accompanying GIPS report*], and accordingly, we express no opinion on any such performance.

This report does not attest to the accuracy of any performance presentation of the Firm other than the Firm's Example Composite. Our examination does not provide assurance on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

[*Practitioner's Signature*]  
[*Practitioner's City and State*]  
[*Date of Practitioner's Report*]

**Investment Performance Standards Task Force**

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